

State of North Carolina Office of the Governor

For Release: IMMEDIATE Contact: Renee Hoffman Date: October 11, 2006 Phone: 919/733-5612

GOV. EASLEY DECLARES JONES AND DUPLIN COUNTIES STATE DISASTER AREAS State Grants Will Be Available For Low Income Families

RALEIGH – Gov. Mike Easley today declared a state disaster for Jones and Duplin counties to provide aid to low income families, who would not otherwise get support, to recover from flood damage to their homes caused by Tropical Storm Ernesto. So far, 12 families applied for and were denied loans from the U.S. Small Business Administration because they lacked the ability to repay the loan, but that number is likely to grow.

"People on fixed incomes, senior citizens or single parents often have difficulty borrowing money but should not be denied help," Easley said. "North Carolina can and will step in to provide the financial assistance they need to repair their homes."

Jones and Duplin counties now qualify for the state's disaster declaration for individual assistance. This declaration means the state covers the entire cost for essential needs, with a maximum eligible award of \$25,000. Home owners are eligible for real and personal property damages and renters are eligible for personal property damages only.

"Since the federal government is unable to assist these residents, who clearly show they need help, it is important that the state is able to step in," said Rep. William Wainwright (D-Craven). "This is another example of our North Carolina values to come to aid those in need."

"The state worked quickly to make sure that those affected by Ernesto were able to stay out of harm's way when the storm hit,' said Sen. Charles Albertson (D-Duplin). "Now we can help those who suffered damage from the storm get their lives back to normal."

In order to qualify for grants from the state, residents must first apply for an SBA loan and be denied. The SBA then turns that information over to the state, which inspects the property for eligible repairs. Once the state approves the repair, a grant is issued to the family.

Residents have until November 10, 2006, to be processed by the SBA and once denied an SBA loan, to have their claim forwarded to the state. Applications for SBA loans can be made by calling the SBA toll-free at 1-800-659-2955.